

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1069
ANSWERED ON:17.07.2014
FOREIGN INVESTMENT IN POWER SECTOR
Kumar Shri Shailesh (Bulo Mandal)

Will the Minister of POWER be pleased to state:

- (a) whether the Government has started any programmes for encouraging foreign investment in power sector;
- (b) if so, the details and the outcome thereof; and
- (c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) & (b): Government of India notifies the 'Consolidated FDI Policy' from time to time to encourage the foreign investment which includes the power sector also.

The existing policy for FDI in Power Sector, provides 100% Foreign Direct Investment (FDI) under automatic route for projects of electric generation (except atomic energy), transmission, distribution and trading. Government of India has also allowed the foreign investment up to 49% (with FDI limit of 26 per cent and FII/FPI limit of 23 per cent) of the paid-up capital in Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2010, under the automatic route, subject to certain conditions, as laid down in the policy.

(c): Does not arise in view of (a) & (b) above.